

IN THE MATTER OF THE ARBITRATION BETWEEN

ARCELORMITTAL USA

ArcelorMittal Case No. 36

And

UNITED STEELWORKERS  
INTERNATIONAL UNION AND  
LOCAL UNION 6787, USW

OPINION AND AWARD

Introduction

This case from the Burns Harbor Plant concerns the Union's claim that duties added to the operator of the 526 crane in Shipping Warehouse No. 4 required the Company to move that function to Labor Grade 3. The case was tried on December 15, 2009. Patrick Parker represented the Company and Rick Bucher presented the Union's case. The parties submitted the case on final argument.

Background

In 2002, what is now ArcelorMittal Steel acquired the assets of certain steel companies and negotiated an agreement with the Union that substantially changed what was often referred to as basic steel contract language. Among the changes was the elimination of hundreds of jobs, which were replaced by 6 (later 7) job descriptions covering all functions performed in the plant. The former job titles no longer existed as jobs, but former job names were placed in boxes within

a line of progression. Some boxes included several former job functions, and incumbents in the box could be assigned to any of the functions listed. The various jobs were paid under one of five labor grades, with a labor grade covering an entire job description. The Grievants in this case operate overhead crane 526 in the No. 4 Shipping Warehouse. This function was slotted into the Service Technician job description and, as is true of all Service Technicians in the plant, was paid at the Labor Grade 2 rate. The Service Technician Job Description reads as follows:

Performs all work which support operations of the various producing units. Operates material handling equipment, overhead electric cranes and tractors (various sizes and types) and directs the flow of material to be processed to and from producing units and performs functions necessary to support operations. Works with materials and equipment necessary to transport and process product and materials. Supports and assists in maintenance activities in their area and in support of operating units.

In this case, the Union contends that changes to the 526 crane operator's job warrant an increase to Labor Grade 3, which would reclassify the operator from a Service Technician to an Operating Technician. The Op Tech job description reads as follows:

Operates and assists Senior Operating Technician and other crew members in tasks on producing units necessary to assure maximum production, quality, inspection and maintenance of material and equipment. Performs and assists in maintenance tasks as directed by Senior Operating Technicians and Maintenance Technicians as required.

There is no dispute that the Company made changes to the functions involved in operating the 526 crane. Those changes, the Union says, were sufficient to elevate the operator from Labor Grade 2 to Labor Grade 3. Martin Luebcke, a 526 crane operator, described the changes. Before the changes, Luebcke said the V-top conveyor would fill up with coils and he would use the crane to pull them off one at a time. He then looked for an open spot in the coil field and set the coil in that spot. Luebcke said he continued this function throughout the day. He would put the coils in any open spot and he did not record where he had put them. In addition to putting coils in the field, he would also retrieve coils from the field and load them on

trucks or rail cars. Luebcke said the head loader would call him and give him the bay number where a coil was, and also the tally number. He then went to the appropriate bay, found the coil with the right tally number, and loaded it on the truck. He used the same process for coils to be loaded on rail cars, although they were identified as being in a field, like R-1 or R-2.<sup>1</sup> Luebcke said he had no responsibility for inventory or where the coils were in the field.

On April 14, 2007, the Company installed 2 kiosks in the dock area and also put a touch screen computer in the crane cab. Truck drivers use the kiosks to scan their gate pass, which causes the kiosk to generate a load ID sheet. The driver then puts the sheet in a stand behind the truck bay and the crane operator brings up a screen that has a display of information about the coil the truck driver wants. Included are the load ID and the manifest number, the last three digits of which are the tally number. The crane operator then goes to another screen that gives him more information about the coil, including the coil number and the location. The screen display also tells the operator how to load the coil on the truck. The operator goes to the area where the coil is supposed to be and looks for the tally number. Once he finds it, he picks it up and heads for the bay that shows the load ID. He loads the coil on the truck and then hits a button on the computer to indicate that it has been loaded.

On July 13, 2007 the Company's coil inventory screen went on line, Luebcke said. Since then, the procedure has been for the operator to take the coil off the conveyor and bring up a coil inventory screen on his computer. He places the coil in the field and, using his computer, records its location. He also hits a button to update the computer. Luebcke said the inventory screen did not change the routine for loading the trucks. Another job performed by the 526 crane operator is to manage the extra process coils. The loader or head loader marks a coil for the

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<sup>1</sup> The rail loading operation appears not to have changed. Thus, to the extent the Union's argument depends on a change in job duties, the focus will be on changes that include removing the coils from the conveyor and placing them in inventory and then taking them from inventory and putting them on trucks.

slitter or cold mill, for example, and the crane operator picks it up and puts it in the drop zone. He then updates the coil's location in the computer. If he didn't do that, Luebcke said, no one would know where it was. Luebcke also said the warehouse occasionally gets coils that are tracted into the building. The crane operator takes them and puts them in the coil field, and then puts the location in the computer.

Luebcke said the crane operators assumed inventory duties formerly performed by the loader and head loader. The loader job, in fact, was eliminated. The Company also eliminated a crane follower who worked with the head loader. Among other things, the crane follower identified coils in the coil field that were to be shipped out. Luebcke said the 526 crane operator now does this work. Finally, there used to be a clerk in the warehouse one day a week who did a coil inventory. But Luebcke said the 526 crane operator now does that job.

Article 5-B-3 deals with New or Changed Jobs. It outlines procedures the Company must use when it creates a new job or modifies an existing job. Among the procedures is submitting a written description of how it intends to modify a job, which "shall include the requirements of such new or modified job in the areas of training, skill, responsibility, effort and surroundings." Luebcke testified about how the duties added to the 526 crane operator affected those factors. He said he received "extensive training" on the computer, and on how to run the crane and operate the computer at the same time. He said his skill level has also increased. Previously all he had to do was operate the crane, but now he operates the crane at the same time that he operates the computer. His responsibility has also increased, he said. Previously he operated the crane, and now he keeps track of inventory and performs work previously done by the loader, the crane follower and the clerk. He has to document his actions every time he picks up a coil and puts it down. There is also more effort required, Luebcke said. He described the effort as

“extensive,” citing the need to document his actions when operating the crane. He also said his surroundings have changed since there is now a computer in the crane.

On cross examination, Luebcke acknowledged that the crane follower position had been eliminated at the time ISG (an ArcelorMittal predecessor) took over the Burns Harbor facility, which was before Grievant was classified as a Service Technician. He also said that before the change, he interfaced with the loader about the location of coils. Now the truck driver puts that information into the computer, and it comes up on the screen in the cab. The information includes the row number, something the loader had not given to him before the change. In addition, the computer tells him how to load the coil, information he used to get from the head loader.

Mike Wasniak is an operating technician in the Finishing Operation LOP. The box containing crane functions in that LOP is an Operating Technician Labor Grade 3. The box includes several crane operation functions, including mill crane, shipping crane and batch anneal crane. There is also a shrink wrap function. Wasniak said the shipping crane performs the kinds of duties Luebcke described for crane 526. The finishing operation shipping crane does not service the hot mill, even though the operator is a Labor Grade 3. On cross examination, Wasniak agreed that the mill crane function in his box services the hot mill, that he can be assigned to operate any of the cranes in the box, and that he floats around to all of those cranes. He was operating the shipping crane the week of the arbitration hearing.

Union witness Al Long testified that he was in the negotiations leading to the 2002 Agreement with ISG. He said the parties listed the former 34 or 35 classifications by pay grades and then divided by 5. The former classifications were then placed in the 5 labor grades, with the highest paying jobs covered by Labor Grade 5. There was little disagreement, he said, about

placement in labor grades. Long also said there can be significant differences between surroundings and duties within one labor grade.

Company witness Joe Wolodzko is Process Manager at the finishing and shipping end of the Hot Mill. He said the 526 crane operator is not an Op Tech, even with the additional duties. He does not affect the quality of the product and does not assist in production. The hot mill would continue to run, Wolodzko said, even if the 526 crane were shut down. Putting the computer in the crane cab had no effect on hot mill production, he said. In addition, the 526 craneman did not assume any of the head loader's duties, and he still takes some direction from the head loader, who is Labor Grade 3. Wolodzko said learning to use the computer takes only about a day, although some people take longer than others.

John Perham is an industrial engineer who was Section Manager of Job Classifications before his retirement on August 1, 2009. He said under the 2002 contract there were only 6 jobs and they covered all of the employees in the facility. Nothing in this case, he said, warrants adding a new job description to the Agreement. An increase in workload of itself does not warrant an increase in labor grade. He agreed that one of the factors he considers in a job evaluation is a comparative analysis of similar cranes in other locations. In this case, he said, the 526 crane operator's duties have not changed; the operator still does the same job, which is placing coils in the field, and then retrieving them and putting them on trucks. All that happened, he said, was a change in technology that increased the crane operator's workload, but that was not sufficient to make him an Operating Technician. Workload is not a factor in job evaluation, Perham testified. He also said other ArcelorMittal plants had similar cranes and they were paid at Labor Grade 2.

On cross examination Perham agreed that there had been changes in training, skill and effort, and that the crane operator had taken over some duties the loader had performed. But the function itself has not changed, he said. Adding tasks increased the workload, but the 526 crane operator is still performing a support function. He also said there is a difference between a job and a job assignment. There were six jobs in the plant under the 2002 Agreement, each of which contained numerous job assignments. The crane operator is a job assignment within the Service Tech job.

#### Positions of the Parties

The Union says Article 5-B controls the case, not the job descriptions. All of the factors mentioned in that provision were affected in this case, as Grievant outlined in detail. There was an increase in skill, training, responsibility, effort and surroundings. The Union also says it is appropriate to raise the labor grade because the operator absorbed duties performed by the loader and the head loader, both of which were labor grade 3 jobs. The Union also points out that there are other Labor Grade 3 shipping cranes at the Burns Harbor Plant.

The Company says the Union is relying on the wrong section of the contract. There is no effort here to create a new job or modify an existing job. The Service Tech and Op Tech jobs remain the same. What the Union is trying to do, the Company argues, is promote the 526 crane operator from Labor Grade 2 to Labor Grade 3. But that would make the 526 crane operator an Op Tech, and the work he performs does not fit that job description, the Company says. His work supports the operation of the hot mill, but does not affect its operation, which is what is required of a Labor Grade 3. The crane operator does not work on a producing unit, and has nothing to do with assuring maximum production, quality, or inspection, which are part of the

Op Tech job description. Rather, the 526 crane operator supports the operations of a producing unit and directs the flow of material from the unit. These are the duties performed by a Service Tech. The Company also says that Grievant's new job is similar to using an ATM machine, where one touches the screen to perform various tasks. The addition of the computer screen, the Company says, did not increase safety concerns or skills requirements.

### Findings and Discussion

The Union's argument seems to focus on the 526 crane operator as a job for purposes of Article 5-B. Duties have been added to that job, the Union claims, that warrant upgrading it to a Labor Grade 3. The Union's approach might have been appropriate under basic steel language as it appeared prior to 2002. There were then several hundred jobs that were classified according to a variety of factors, with point values awarded for various kinds of functions, skill, training, etc. Adding duties to a job could sometimes increase the point values and, if there were enough changes, the job might move into a higher pay grade. But the Union's witness testified that the parties did not use that procedure in the 2002 contract. They simply divided the number of classifications by five and then slotted jobs into boxes by wage rate. Article 5-B left open the possibility that more jobs could be added or that new duties could be added to one of the six jobs that already existed. But that does not mean that various assignments with a job box can themselves be evaluated and then paid at a higher rate. The assignments within those boxes are not jobs of themselves. The jobs are Service Tech, Op Tech, etc. The Company has not done anything to modify any of those jobs and it has not created any new jobs. It still wants Service Techs to do what they have always done, and it expects Op Techs to continue performing the same functions.



The Union's real contention in this case is that the 526 crane operator has had duties added to his crane operation functions that warrant promoting that job assignment into the Op Tech Labor Grade 3 job. There is no way the 526 operator can remain classified as a Service Technician, yet be paid at the Labor Grade 3 wage rate. Appendix A of the 2002 contract makes it clear that the labor grades are assigned by job classification. Service Techs are paid at Labor Grade 2 and Operating Techs are paid at Labor Grade 3. Picking out job assignments in the Service Tech job and paying them at the Labor Grade 3 rate would seriously undermine the parties' decision to simplify the job classification and payment structure. The contract does not sanction paying the 526 crane operator at the Labor Grade 3 rate unless he fits within the job description of an Op Tech 3.

There is no question that the 526 operators assumed more duties, but it is equally clear that the kind of duties they assumed did not change the crane operators from Service Techs to Op Techs. The 526 crane is a shipping crane that operates in No. 4 Shipping Warehouse, and does not operate on a producing unit. The operator is not involved in assuring maximum production and quality, and has no inspection responsibility. In contrast, the Service Tech job description captures the essence of the 526 crane operator's duties. The operators use a crane to support the operation of the producing unit (the Hot Mill) by taking coils from that mill and placing them in inventory. He also directs the flow of material from a producing unit. The manner in which the crane operator performs those functions has changed, but those changes did not vary the basic function of the assignment.

The crane operator now deals with computer technology that has replaced some of the work done by other employees. The operator gets information about which coil to load from his computer screen rather than from the loader. Moreover, he now keeps track of coil locations via

computer, something the loader used to do for him. Luebcke testified credibly that he now has more work to do than he previously performed. But the fact that an employee performs more duties to accomplish the same task does not necessarily mean that the employee is working at a higher pay grade. In fact, the current job descriptions and the associated pay grades do not consider the volume of work required; rather, they focus on the functions performed. Here, the 526 operator is accomplishing what he had always done – he takes coils from the belt and puts them in inventory, and he removes coils from inventory and puts them on trucks. The only difference is that advances in technology have made it possible for him to do this work without the participation of other employees.

The Union focuses in part on the fact that there are other shipping cranes in the mill that are paid at Labor Grade 3. But the evidence submitted by the Union indicated that the Labor Grade 3 shipping crane function in the Finishing Operations LOP does not stand alone. Rather, employees who are slotted into that box are expected to – and, in fact do – rotate among the other crane assignments in the box. This includes the mill crane that directly supports the hot mill. Thus, employees in the finishing operation crane box are expected to perform functions that are properly placed in the Op Tech Labor Grade 3 position. In contrast, the 526 crane assignment does not have responsibility for any Op Tech functions.

#### AWARD

The grievance is denied.

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Terry A. Bethel  
March 13, 2010